SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1920

SPONSOR: Regulated Industries Committee & Senator Crist

SUBJECT: Florida Mobile Home Relocation Trust Fund

April 23, 2001 DATE: **REVISED**: ANALYST STAFF DIRECTOR ACTION REFERENCE Caldwell 1. Wiehle Favorable/CS RI 2. Wilson GO Withdrawn 3. Keating Johansen FT Favorable 4. AGG 5. AP 6.

I. Summary:

The bill creates the Florida Mobile Home Relocation Trust Fund to be used by the Mobile Home Relocation Corporation to compensate mobile home owners evicted from a mobile home park for a change in land use.

The bill substantially amends sections 320.081 and 723.007 and creates sections 320.08051, 723.06115, and 723.06116 of the Florida Statutes.

II. Present Situation:

The Florida Constitution provides that no trust fund of the State of Florida or other public body may be created by law without a three-fifths (3/5) vote of the membership of each house of the Legislature in a separate bill for that purpose only. (Section 19, Art. III, Fla. Const.) State trust funds created after November 4, 1992, must terminate not more than four years after the effective date of the act authorizing the creation of the trust fund.

Section 215.32(2)(b), F.S., provides that trust funds consist of moneys received by the state which under law or under trust agreement are segregated for a purpose authorized by law.

Section 215.3207, F.S., parallels the Constitution, providing that a trust fund may be created by law only by the Legislature and only if passed by a three-fifths vote of the membership of each house in a separate bill for that purpose only. Except for trust funds being re-created by the Legislature, each trust fund must be created by statutory language that specifies at least the following:

• The name of the trust fund.

- The agency or branch of state government responsible for administering the trust fund.
- The requirements or purposes that the trust fund is established to meet.
- The sources of moneys to be credited to the trust fund or specific sources of receipts to be deposited in the trust fund.

Committee Substitute for Committee Substitute for Senate Bill 442 creates a system of compensation for mobile home owners evicted from a mobile home park for a change in land use. The Mobile Home Relocation Corporation, created by that bill, is to make a specified payment to such a mobile home owner using funds from the Florida Mobile Home Relocation Trust Fund, created by this bill.

III. Effect of Proposed Changes:

Section 1. The bill creates the Florida Mobile Home Relocation Trust Fund within the Department of Business and Professional Regulation. The trust fund is to be funded from:

- The surcharge collected under s. 320.08051.
- The surcharge collected under s. 723.007.
- The moneys collected under s. 723.06116.
- All interest earned from investment or deposit on moneys in the trust fund.

Money in the trust fund may be expended only:

- To pay the administrative costs of the Florida Mobile Home Relocation Corporation.
- To make payments to mobile home owners evicted from mobile home parks for a change in land use.

Section 2. To comply with section 19(f)(2), Article III, Florida Constitution, which requires that all trust funds created after November 4, 1992, terminate not more than four years after the effective date of the act authorizing the creation of the trust fund, the trust fund terminates July 1, 2005. Before that date, the Legislature is to review the trust fund.

Section 3. The bill creates s. 320.08051, F.S., to provide a surcharge of \$2 on each annual mobile home license tax imposed under s. 320.08(11), F.S. The surcharge is to be deposited into the trust fund. It is to begin to be collected during the first year after this section takes effect. The surcharge is not to be collected during the year following any year in which the balance of the trust fund exceeds \$10 million. When the balance falls below \$6 million, collection of the surcharge may resume.

Section 4. The bill amends s. 320.081, F.S., to make conforming changes.

Section 5. The bill amends s. 723.007, F.S. This section currently requires each mobile home park owner to pay to the division an annual fee of \$4 for each lot within a park he owns. The division may increase the fee up to \$5 by rule. The bill deletes the authority for the division to increase the fee. It also creates a surcharge on the fee of \$1 on each lot, to be deposited into the Mobile Home Relocation Trust Fund, if it is created by law. If the balance in the trust fund

exceeds \$10 million, the surcharge is not to be imposed the following year. If the balance subsequently falls below \$6 million, the surcharge is to be re-imposed.

Section 6. The bill creates s. 723.6116, F.S., to provide that when a park owner is making a change in land use, the park owner must pay into the Mobile Home Relocation Trust Fund, if created by law, \$2,000 for each single-section home and \$2,500 for each multi-section home for which a homeowner has made application for payment from the fund. This payment is not to be made if:

- The park owner moves a home owner to another space in the mobile home park or to another park at the owner's expense,
- A homeowner is vacating the premises and has informed the park owner of this prior to the notice of a change in land use, or
- The homeowner abandons the home by leaving it in the park and conveying title to the park owner, in which case the mobile home owner will collect one-fourth of the maximum allowable moving expense.

Section 7. The bill takes effect on the effective date of Committee Substitute for Committee Substitute for Senate Bill 442 (July 1, 2001), provided that it does not take effect unless enacted by three-fifths vote of each house of the Legislature.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

The bill meets the trust fund requirements set forth in section 19(f), Article III, Florida Constitution.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

The \$2 surcharge on each annual mobile home license tax imposed under s. 320.08(11), F.S., is estimated to raise \$1.1 million in fiscal year 2001-02 for deposit into the Florida Mobile Home Relocation Trust Fund.

The \$1 surcharge on the annual \$4 fee paid by mobile home park owners on each lot within their park is estimated to raise \$350,000 in fiscal year 2001-02 for deposit into the Florida Mobile Home Relocation Trust Fund.

This bill provides the funding mechanism for the new system of compensation for mobile home owners evicted from mobile home parks for a change in land use. The funds for the trust fund come from a surcharge on the annual mobile home license tax, a surcharge on the annual fee paid by mobile home park owners, and a fee paid by mobile home park owners evicting tenants for a change in land use.

If the balance in the trust fund exceeds \$10 million, the \$1 surcharge paid by mobile home park owners on each lot within their park will not be imposed the following year. If the balance subsequently falls below \$6 million, the surcharge is to be re-imposed.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.